

Amendments to the Specification:

Please replace each of the paragraphs referenced below by page and line number(s) with the text following the reference to the page and line number(s) of the paragraph.

Page 1, lines 1-2:

C1
ELECTRONIC TRADING SYSTEM SUPPORTING ANONYMOUS
NEGOTIATION AND ~~INDICATORS~~ INDICATIONS OF INTEREST

Page 2, lines 8-12:

C2
Trading systems also support messaging and displayed information as
~~indicators~~ indications of interest (IOI) of an entity willing to enter into a trade and
soliciting opposite parties or contras in a trade. Anonymous ~~indicators~~
indications increase trading liquidity. However, on occasion brokers use IOIs,
and especially anonymous IOIs, to perform fishing; that is, to send empty or
insincere IOIs to solicit half of a transaction, and then to seek to fill the other half.

Page 2, lines 17-19:

C3 These and other objects are achieved in accordance with the invention by an electronic trading system and method which support anonymous negotiation complying with order-handling rules, and which support ~~indicators~~ indications of interest (IOI) while discouraging fishing IOIs.

Page 4, lines 7-19: In accordance with another embodiment of the

C4 invention, interest may be determined in a stock among users of an electronic stock trading system only in association with an order entered by a user. In this embodiment, the electronic trading system comprises at least one computer with associated computer memory and a plurality of user stations coupled thereto via a communications network. The at least one computer is programmed to match orders entered into the user stations by users and to execute trades of matched orders, and has a listing of system users accessible by any system user via a user station. Responsive to user input via user stations, the at least one computer is programmed to create a subset or profile of system users selected by a user to which that user authorizes the system to transmit an ~~indicator of~~ indication of interest (IOI) in a stock for which that user has entered an order. A user at a user station selects users from the list of users, and the system transmits the IOI to the selected users only when the user enters an order at the user station for the particular stock. Thus, in this embodiment, an ~~indicators of interest~~ indication of interest (IOI) is transmitted only in association with an order entered by a user.

Page 5, lines 1-11:

C5 The trading system includes a database for storing public orders received from a public stock trading system; and a server for receiving hidden orders from a plurality of users and for conducting anonymous negotiations between first and second users with the hidden orders. The server repeatedly accesses the database to determine a match of any one of the hidden orders with any one of the public orders, and to execute a pair of orders selected from the hidden orders and the public orders. The system also transmits ~~indicators of interest~~ indications of interest into a trading environment using the server for processing a trading order from a first user and for maintaining a profile of a user. The profile includes a current IOI setting for controlling transmission of the IOI from the user. The server responds to a toggle command from the first user to control transmission of the IOI opposite to the current IOI setting. The server responds to the IOI setting being set to allow transmission by transmitting the IOI of the first user associated with the trading order.

Page 5, lines 16-17:

C6 FIG. 3 illustrates the system of FIG. 1 in greater detail with modules used for processing ~~indicators~~ indications of interest;

Page 5, line 19:

C7 FIG. 5 illustrates a flowchart for processing ~~indicators~~ indications of interest;

Page 6, line 10:

C8 FIG. 19 illustrates a screen display of posted ~~indicators of interest~~ indications of interest.

Page 7, lines 1-11:

C9 The server 12 includes a processor 30 for executing the "TRADEBOOK" software to conduct trading with anonymous negotiation and ~~indicators of interest~~ indications of interest features as described herein, such that the system 10 acts as an introducing broker to arrange transactions with the "NASDAQ" trading system 32 and/or the "AUTEX" system 34. The "TRADEBOOK" software may be stored in the memory 36 and is capable of acting as an agent for both sides of each trade, with fees charged to both participants and non-participants of the system 10 on a per-transaction-basis. The securities which may be traded on the system 10 may include NASDAQ, NASDAQ Small Cap, and exchange-listed U.S. equity securities, as well as American Depositary Receipts (ADRs), such as pink sheet and bulletin board types of securities which are eligible for continuous net settlement by book entry through the National Securities Clearing Corporation and the Depository Trust Company.

Page 7, lines 12-15:

C10 In an alternative embodiment, the system 10 may include an ~~indicator of~~
~~interest~~ indication of interest (IOI) server 38, shown in FIG. 1, for processing IOIs
through the TRADEBOOK server 12, as described herein, to provide IOI
functionality to the "BLOOMBERG TRADEBOOK" system 10 and to users
thereof.

Page 10, lines 8-11:

C11 Since trades may also be associated with ~~indicators~~ indications of interest
(IOI), BTBOOK 54 may optionally be connected to a BTIOI module 66 for
processing IOIs in conjunction with trades with anonymous negotiations through
BTNEGOT 52. The BTIOI module 66 may be connected to the IOI server 38
shown in FIG. 1.

Page 11, lines 13-19:

C12 In operation, as shown in FIG. 4, the system 10 supports negotiation
features, which allow broker-dealers and institutional participants to initiate
anonymous negotiations on a one-on-one basis with other participants of the
system 10. A participant may designate whether or not to receive negotiation
messages, and may initiate a negotiation with another participant having an open
order, an expired order, or an executed trade on the system 10. Such
negotiations may be performed in conjunction with the ~~indicators~~ indications of
interest (IOI) feature of the system 10, as described herein.

Page 17, line 17:

C13

INDICATORS INDICATIONS OF INTEREST

Page 17, lines 18-24:

C14
Referring to FIG. 3, the system 10 also supports the use of an indications feature which allows only certain participants (e.g., institutional participants) to advertise a desire to negotiate by sending ~~indicator of interest~~ indication of interest (IOI) messages to other institutional participants via IOI software applications or services. Such ~~indicators~~ indications may specify only the security ticker and the side of the ~~indicator~~ indication as being for a buy or a sell, and may also include a notation that the security is negotiable on the system 10. ~~Indicators~~ Indications may be set to not show any price, size, or identification of the participant.

Page 18, lines 16-25:

C15 Otherwise, the system 10 determines in step 106 whether the initiator has entered an toggle command to override the current IOI setting in the initiator's profile. For example, when entering an order in the tool line 50 of FIG. 6, the initiator may include a "/N" command, such that the order shown in FIG. 6 instead reads:

<BUY> INTC 10000 62 /N <GO>

which toggles the system 10 to use, for this trade only, the exact opposite of the IOI setting in the initiator's profile. The "N" in the "/N" command represents NATURAL Institution-to-Institution-Only ~~Indications of Interest~~ Indications of Interest. Accordingly, the initiator of orders need not continuously reset the IOI setting in the user's profile to transmit IOIs. It is understood that other commands, function keys, or hotkeys may be used to toggle the initiator's profile settings.

Page, 27, lines 1-14:

C16 A system conducts anonymous negotiations and supports ~~indicators of~~
~~interest~~ indications of interest in trading stock. The system includes a database
for storing public orders received from a public stock trading system; and a
server for receiving hidden orders from a plurality of users and for conducting
anonymous negotiations between first and second users with the hidden orders.
The server repeatedly accesses the database to determine a match of any one of
the hidden orders with any one of the public orders, and to execute a pair of
orders selected from the hidden orders and the public orders. The system also
transmits ~~indicators of interest~~ indications of interest (IOIs) into a trading
environment using the server for processing a trading order from a first user and
for maintaining a profile of a user. The profile includes a current IOI setting for
controlling transmission of the IOI from the user. The server responds to a toggle
command from the first user to control transmission of the IOI opposite to the
current IOI setting. The server responds to the IOI setting being set to allow
transmission by transmitting the IOI of the first user associated with the trading
order.